

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

JOSEPHINE FREEMAN,

Plaintiff,

v.

Case No. 11-11754
Hon. Lawrence P. Zatkoff

CONSUMER PORTFOLIO SERVICES, INC.,

Defendant.

_____ /

ORDER DISMISSING PLAINTIFF’S STATE-LAW CLAIMS

Plaintiff filed a complaint on April 22, 2011, alleging federal subject-matter jurisdiction on the basis of a federal question. Plaintiff’s complaint alleges the following counts:

Count I Violation of Fair Debt Collection Practices Act, 15 U.S.C. § 1692, *et seq.*

Count II Violation of the Michigan Occupational Code, Mich. Comp. Laws § 339.901, *et seq.*

Count III Violation of the Michigan Collection Practices Act, Mich. Comp. Laws § 445.251, *et seq.*

Federal district courts have original subject-matter jurisdiction over cases arising under federal law. 28 U.S.C. § 1331. Thus, the Court has subject-matter jurisdiction over Count I because it arises under federal law. 28 U.S.C. § 1331. Counts II and III, however, are based on state law. Although the Court has supplemental jurisdiction over state-law claims pursuant to 28 U.S.C. § 1367(a), the Court may decline to exercise supplemental jurisdiction if there are “compelling reasons for declining jurisdiction.” *Id.* § 1367(c)(4). The Court declines to exercise supplemental jurisdiction over Plaintiff’s state-law claims in this matter. The Court finds that Plaintiff’s state-law claims raise novel and complex issues of state law that will result in undue confusion of the jury and that such claims would be more appropriately adjudicated by the state court. *See Id.* § 1367(c)(1),

(c)(4); *Padilla v. City of Saginaw*, 867 F. Supp. 1309, 1315 (E.D. Mich. 1994).

Accordingly, IT IS ORDERED that Plaintiff's state-law claims (Counts II and III) are hereby DISMISSED WITHOUT PREJUDICE. The Court retains jurisdiction over Plaintiff's federal claim (Count I).

IT IS SO ORDERED.

s/Lawrence P. Zatkoff
LAWRENCE P. ZATKOFF
UNITED STATES DISTRICT JUDGE

Dated: May 11, 2011

CERTIFICATE OF SERVICE

The undersigned certifies that a copy of this Order was served upon the attorneys of record by electronic or U.S. mail on May 11, 2011.

s/Marie E. Verlinde
Case Manager
(810) 984-3290